

City of Covington

Recommended 2009-2010 All Funds Operating Budget

The recommended City of Covington All Funds Operating Budget in fiscal year 2009-2010 is \$79,328,831 (see Table 1, page 3). This represents a \$8,770,932 increase from the fiscal year 2008-2009 estimated budget. Increases of \$4,524,037 to HUD Consolidated Plan activities, \$1,048,066 to Other Funds, and \$555,040 to General Fund more than offset a \$81,262 decrease in Debt Services Funds and a decrease of \$50,564 in Self Insurance Funds. The increase in HUD activities is a result of the allocation of Neighborhood Stabilization funds and Homeless Prevention and Rapid Re-Housing funds awarded as part of the economic stimulus efforts.

The recommended budget includes a \$50,000 transfer from General Fund to the Working Capital Reserve. This transfer was budgeted before all General Fund department expenses. The Working Capital Reserve was established with the approval of Commissioners Order/Resolution O/R-68-06 to allow for the accumulation of funds to create a reserve to protect funding for the viable operation of city government. No funds may be transferred from the fund unless approved by the Mayor and Board of Commissioners. The balance in the Working Capital Reserve Fund is expected to be \$1,820,604 at the end of the fiscal year 2009-2010. The total of the Working Capital Reserve Fund and the General Fund is expected to be \$2,560,926 at the end of fiscal year 2009-2010. This is 5.4% of General Fund revenue, which is slightly above the minimum 5% reserve established by the Mayor and Board of Commissioners policy.

The major budget assumptions utilized in the development of this budget are as follows:

1. Salary increases of 5% as negotiated in collective bargaining agreements and awarded on January 1, 2009 were budgeted for the full fiscal year beginning July 1, 2009. However, no raises were budgeted for the 2009-2010 fiscal year.
2. Costs for health care are based on projected claims experience and anticipated medical inflation. Plan design has not changed
3. Permanent full-time positions have been reduced by two positions from 391 to 389.
4. The contribution rate for hazardous positions increased from 29.5% of compensation for the 2008-2009 year to 32.97% of compensation for the 2009-2010. The contribution rate for non-hazardous positions increased from 13.5% of compensation to 16.16% of compensation for the same period. Total budgeted pension costs are expected to increase \$942,562, or 19.6% from estimated 2008-2009 costs.
5. Workers Compensation costs are expected to decrease \$271,612, or 20.5%. This decrease is the culmination efforts led by the Safety Manager in conjunction with Schiff Kreidler as our consultant working with KLC and KLC's third party administrator Collins and Associates.

6. At the end of fiscal year 2007-2008, the Housing Voucher program had a fund balance of \$1,896,955. It is anticipated that HUD will require the spending of the fund balance in addition to normal allocation during the fiscal year 2008-2009 and fiscal year 2009-2010 period.
7. New Special Revenue Funds for Neighborhood Stabilization Program and the Homeless Prevention and Rapid Re-Housing Program have been added.
8. Because of decrease in the growth rate of General Fund Revenue, it is anticipated that the current seven vacant staff positions will remain unfilled during the fiscal year or until such time when expected revenue would increase sufficiently to cover the costs.
12. The \$200,000 which was typically budgeted as an Emergency Contingency Reserve in the General Fund for unbudgeted items, primarily for unexpected snow removal costs has been budgeted directly to the Department of Public Improvements to offset the expected increase in rock salt.

In addition to the Order/Resolution establishing the Working Capital Reserve, a Ordinance was also approved by the Mayor and Commission that requires that proceeds from the sale of any asset must be deposited into the Working Capital Reserve unless federal funds were used in the acquisition. The prohibition of the use of Working Capital Reserve without specific approval by Commissioners Order/Resolution also applies to proceeds from the sale of assets.

CITY OF COVINGTON
2009-2010 ALL FUNDS OPERATING BUDGET

FUND	2008/2009 Estimated Actual	2009/2010 Adopted Budget	Dollar Change	Percent Change
General Fund				
Beginning Fund Balance	\$ 740,322	\$ 740,322	\$ -	0.00%
Resources/Tranfers in	\$ 47,317,738	\$ 47,872,778	\$ 555,040	1.17%
Expenditures/Transfers Out	\$ 47,317,738	\$ 47,872,778	\$ 555,040	1.17%
Ending Fund Balance	\$ 740,322	\$ 740,322	\$ -	0.00%
Working Capital Reserve				
Beginning Fund Balance	\$ 1,370,604	\$ 1,770,604	\$ 400,000	0.00%
Resources/Tranfers in	\$ 400,000	\$ 50,000	\$ (350,000)	-87.50%
Expenditures/Transfers Out	\$ -	\$ -	\$ -	0.00%
Ending Fund Balance	\$ 1,770,604	\$ 1,820,604	\$ 50,000	2.82%
Capital Improvement Fund				
Resources/Tranfers in	\$ 5,285,736	\$ 6,160,043	\$ 874,307	16.54%
Expenditures/Transfers Out	\$ 5,285,736	\$ 6,160,043	\$ 874,307	16.54%
HUD Annual Action Plan				
Beginning Fund Balance	\$ 2,000,818	\$ 1,800,818	\$ (200,000)	-10.00%
Resources/Tranfers in	\$ 11,929,264	\$ 16,453,301	\$ 4,524,037	37.92%
Expenditures/Transfers Out	\$ 12,129,264	\$ 16,653,301	\$ 4,524,037	37.30%
Ending Fund Balance	\$ 1,800,818	\$ 1,600,818	\$ (200,000)	-11.11%
Debt Service				
Beginning Fund Balance	\$ 441,011	\$ 109,965	\$ (331,046)	-75.07%
Resources/Tranfers in	\$ 3,702,286	\$ 3,304,327	\$ (397,959)	-10.75%
Expenditures/Transfers Out	\$ 4,033,332	\$ 3,385,589	\$ (647,743)	-16.06%
Ending Fund Balance	\$ 109,965	\$ 28,703	\$ (81,262)	-73.90%
Self Insurance Funds				
Beginning Fund Balance	\$ 1,589,187	\$ 1,064,187	\$ (525,000)	-33.04%
Resources/Tranfers in	\$ 5,641,276	\$ 6,115,712	\$ 474,436	8.41%
Expenditures/Transfers Out	\$ 6,166,276	\$ 6,115,712	\$ (50,564)	-0.82%
Ending Fund Balance	\$ 1,064,187	\$ 1,064,187	\$ -	0.00%
Other Funds				
Beginning Fund Balance	\$ 1,017,677	\$ 991,296	\$ (26,381)	-2.59%
Resources/Tranfers in	\$ 4,270,160	\$ 5,344,607	\$ 1,074,447	25.16%
Expenditures/Transfers Out	\$ 4,296,541	\$ 5,344,607	\$ 1,048,066	24.39%
Ending Fund Balance	\$ 991,296	\$ 991,296	\$ -	0.00%
Total Operating Budget				
Beginning Fund Balance	\$ 7,159,619	\$ 6,477,192	\$ (682,427)	-9.53%
Resources/Tranfers in	\$ 69,875,472	\$ 79,047,569	\$ 9,172,097	13.13%
Expenditures/Transfers Out	\$ 70,557,899	\$ 79,328,831	\$ 8,770,932	12.43%
Ending Fund Balance	\$ 6,477,192	\$ 6,245,930	\$ (231,262)	-3.57%

CITY OF COVINGTON, KY
2009-2010 GENERAL FUND REVENUE BUDGET

ACCOUNT NAME	FY 2008-2009 Approved Budget	FY 2008-2009 Estimated Actual	FY 2009-2010 Adopted Budget	Dollar Change From 2008-2009 Budget	% Change From 2008-2009 Budget
AD VALOREM TAXES	6,091,474	6,313,389	6,539,710	448,236	7.4%
FRANCHISE TAXES	2,190,240	2,225,761	2,337,485	147,245	6.7%
NET PROFIT TAX	2,809,000	2,335,973	2,200,000	(609,000)	-21.7%
PAYROLL TAXES	24,918,240	23,714,990	24,137,829	(780,411)	-3.1%
INSURANCE LICENSE FEES	5,402,250	4,900,861	4,900,000	(502,250)	-9.3%
PERMIT & LICENSE FEES	293,000	290,692	293,000	-	0.0%
PARKING TICKETS & COURT REVENUE	385,000	372,469	400,000	15,000	3.9%
PENALTY & INTEREST ON LATE TAX	175,000	245,282	175,000	-	0.0%
RENTAL INCOME	330,000	240,603	290,000	(40,000)	-12.1%
WASTE FEE INCOME	2,029,724	2,085,954	2,085,954	56,230	2.8%
PARKING REVENUES	1,075,000	1,141,941	1,140,000	65,000	6.0%
AMBULANCE RUNS	1,158,300	1,185,039	1,281,000	122,700	10.6%
OTHER INCOME	735,200	873,705	711,800	(23,400)	-3.2%
INCOME FROM GOVERNMENT	350,000	435,079	425,000	75,000	21.4%
TOTAL OPERATING REVENUE	47,942,428	46,361,738	46,916,778	(1,025,650)	-2.1%
TRANSFER FROM OTHER FUNDS	956,000	956,000	956,000	-	0.0%
TOTAL RESOURCES AVAILABLE	48,898,428	47,317,738	47,872,778	(1,025,650)	-2.1%

CITY OF COVINGTON
FISCAL YEAR 2009-2010 DEPARTMENTAL BUDGET SUMMARY

	Approved 2008-2009 Budget	Estimated 2008-2009 Budget	Adopted 2009-2010 Budget	Dollar Change From Budget	% Change From Budget
Administration	1,186,396	1,185,543	1,153,153	(33,243)	-2.80%
Legal	427,371	402,561	415,355	(12,016)	-2.81%
Economic Development	733,327	660,854	712,551	(20,776)	-2.83%
Code Enforcement	3,045,449	2,918,010	3,042,127	(3,322)	-0.11%
Public Improvements	6,852,090	6,515,239	6,499,453	(352,637)	-5.15%
Finance	1,372,130	1,180,328	1,170,447	(201,683)	-14.70%
Police	14,785,453	14,370,952	14,642,143	(143,310)	-0.97%
Recreation	762,989	544,484	610,179	(152,810)	-20.03%
Fire	12,888,035	12,466,977	12,791,477	(96,558)	-0.75%
Debt Service	4,773,215	4,883,641	4,984,903	211,688	4.43%
Parking Garages	798,973	750,242	753,160	(45,813)	-5.73%
Total General Fund	47,625,428	45,878,831	46,774,949	(850,479)	-1.79%
Transfers to Other Funds	873,000	870,859	1,047,829	174,829	20.03%
Transfer to Working Capital Reserve	400,000	400,000	50,000	(350,000)	-87.50%
Total Expenses & Transfers	48,898,428	47,149,690	47,872,778	(1,025,650)	-2.10%

City of Covington
Staffing Plan
TABLE 4

	FY 09-10	FY 08-09	Change
General Fund			
Administration			
City Manager	1	1	0
Assistant City Manager	1	1	0
Human Resource Director	1	1	0
Exec. Assistant to the C.M.	1	1	0
Human Resource Assistant	1	1	0
Risk Manager	1	1	0
Mayor	1	1	0
Commissioner	4	4	0
Administrative Assistant	1	1	0
Subtotal	12	12	0
Legal			
City Solicitor	1	1	0
Ass't City Solicitor	1	1	0
Legal Assistant	1	1	0
City Clerk	1	1	0
Subtotal	4	4	0
Economic Development			
Economic Development Dir.	1	1	0
Business Recruit & Retent.	1	1	0
Downtown Renaissance Mgr.	1	1	0
Historic Preservation Officer	1	1	0
Ombudsman	1	1	0
Arts District Manager	1	1	0
Administrative Assistant	1	1	0
Subtotal	7	7	0
Code Enforcement			
Director	1	1	0
Code Enforcement Officer	6	7	-1
Civilian Inspector	1	1	0
Code Enforcement Specialist	1	0	1
Solid Waste Coordinator	1	1	0
Clerk Typist	2	2	0
Subtotal	12	12	0

City of Covington
Staffing Plan
TABLE 4

	FY 09-10	FY 08-09	Change
Department of Public Improvements			
Public Improvements Director	1	1	0
Ass't City Engineer	1	1	0
Civil Engineering Tech	1	1	0
Fleet Manager	1	1	0
Business Manager	1	1	0
Administrative Ass't	1	1	0
Animal Warden	2	2	0
Clerk Typist	4	3	1
Cement Mason	2	2	0
Driver	12	12	0
Supervisor	5	5	0
Special Project Coord	1	1	0
Laborer	5	5	0
Light Equipment Operator	5	5	0
Technician	7	8	-1
Mechanic	6	6	0
Subtotal	55	55	0
Finance			
Director	1	1	0
Ass't Finance Director	1	0	1
Staff Accountant	3	4	-1
Finance Technician	1	1	0
Personnel Clerk	1	1	0
Auditor	3	3	0
Clerk Typist	3	4	-1
Subtotal	13	14	-1

City of Covington
Staffing Plan
TABLE 4

	FY 09-10	FY 08-09	Change
Police			
Police Chief	1	1	0
Asst. Police Chief	1	2	-1
Captain	5	5	0
Lieutenant	5	5	0
Sergeant	15	15	0
Patrolman	88	88	0
Police Cadet	3	3	0
Administrative Assistant	1	1	0
Clerk Typist	5	5	0
Evidence Technicians	3	3	0
Park Rangers	2	2	0
Impounding Lot Manager	1	1	0
Impounding Lot Specialist	1	1	0
Telecommunicator	16	16	0
Subtotal	147	148	-1
Recreation			
Director	1	1	0
Asst. Director	1	1	0
Recreation Program Cord.	1	1	0
Subtotal	3	3	0

City of Covington
Staffing Plan
TABLE 4

	FY 09-10	FY 08-09	Change
Fire			
Fire Chief	1	1	0
Asst. Fire Chief	2	2	0
Captain	12	12	0
Lieutenant	18	18	0
Engineer	30	30	0
Firefighter	44	44	0
EMT	7	7	0
Battalion Chief	3	3	0
EMS Director	1	1	0
Administrative Assistant	1	1	0
Subtotal	119	119	0
General Fund Total	372	374	-2

City of Covington
Staffing Plan
TABLE 4

	FY 09-10	FY 08-09	Change
CDBG			
Housing			
Clerk Typist	2	2	0
Grant Admin/Real Estate Spec.	1	1	0
Housing Coordinator	1	1	0
Housing Development Director	1	1	0
Housing Inspector	1	1	0
Project Coordinator	1	1	0
Section 8 Coordinator	1	1	0
Section 8 Service Rep.	3	3	0
Staff Accountant	2	2	0
Urban Housing Specialist	3	3	0
Subtotal	16	16	0
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CDBG Fund Total	16	16	0

City Hall

Maintenance Technician	1	1	0
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City Wide Staffing Totals	389	391	-2
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